FI$Cal Solution Walkthrough (SWT): Procurement

2017/2018 Release
Agenda

- Solution Walkthrough Objectives
- Procurement Solution Overview
- Purchasing Process:
  - Create and Approve Requisitions
  - Sourcing (Solicitations)
  - Procurement Contracts
  - Manage Purchase Orders
  - Control-Related Processes
  - Process Procurement Card Transactions
  - Receive and Inspect Goods and Services
- Technology Considerations
- Session Recap
- Q&A Session
- Feedback: [www.surveymonkey.com/r/SWTFeedback](http://www.surveymonkey.com/r/SWTFeedback)
The Solution Walkthroughs will provide:

- An overview of the business processes, including key terms and functionalities
- “To-Be” business processes
Requisition Overview

The Create and Approve Requisition process covers all activities related to a requisition starting with creation, approval, and budget check, and ending with creation of a Purchase Order (PO).

This includes the following sub-processes:

- Create, Approve, and Maintain Requisition including a Requisition Change Request
# Requisition Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Header</td>
<td>General information pertaining to the entire requisition. This includes data such as Business Unit, Requester, and Currency Code. Informational fields include requisition status and whether the requisition has been approved and budget checked.</td>
</tr>
<tr>
<td>Lines</td>
<td>Item description, Unit of Measure (UOM), Category, and Quantity for each item on the requisition.</td>
</tr>
<tr>
<td>Schedule</td>
<td>Due date, Ship-to address, and Unit Price are stored on the requisition for each item line.</td>
</tr>
<tr>
<td>Distribution</td>
<td>Accounting information (the General Ledger ChartField string) is entered. The ChartField string includes Account, Fund, Department ID, Class, Program, and Project.</td>
</tr>
</tbody>
</table>
# Requisition Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Unit</strong></td>
<td>An organizational entity that has a balanced set of books and by which General Ledger (GL) reports and processing can be segregated. In FI$Cal, a GL Business Unit will be defined for each Organization Code (&quot;Org&quot;) that receives appropriations.</td>
</tr>
<tr>
<td><strong>ChartField</strong></td>
<td>An accounting classification segment (for example, Fund or Program).</td>
</tr>
<tr>
<td><strong>Budget Check/Pre-encumbrance/Commitment Control</strong></td>
<td>The process of budgetary accounting which enables the tracking or controlling of expenses against budgets, and revenues against estimates.</td>
</tr>
<tr>
<td><strong>Reporting Structure</strong></td>
<td>An agency defined ChartField that identifies the organizational entity associated with a transaction. Similar in purpose to the UCM Organization Code at Level 2 and below.</td>
</tr>
</tbody>
</table>
## Requisition Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad Hoc Approver</td>
<td>Approvers or reviewers that are added to the standard approval process. Inserted Ad Hoc approvers apply only to the current requisition or PO being approved.</td>
</tr>
<tr>
<td>Acquisition Type</td>
<td>State purchasing activities divided into categories: Non-IT Goods, Non-IT Services, and IT Goods and Services, IT TELECOM, Encumbrance Only.</td>
</tr>
</tbody>
</table>
| Acquisition Method | Method of procurement including, but not limited to:  
  - Competitive  
  - Non-competitive bids (NCB)  
  - Solicitation through Small Business/Disabled Veteran Business Enterprise (SB/DVBE)  
  - Leveraged Procurement Agreements (LPA)  
  - Emergency |
| Category            | Codes (United Nations Standard Products and Services Codes, UNSPSC) used to classify goods and/or services in FI$Cal. Should be entered during the requisition process. |
Requisition to Receiving

Create Requisition → Budget Check → Approve Requisition

Create Solicitation → Approve Solicitation

Create Procurement Contract → Approve Contract

Create Purchase Order → Budget Check Purchase Order → Approve Purchase Order → Dispatch Purchase Order → Create Receipt → Create RTV

Reports

- Print Requisition report
- PO Spend report
- PO Activity report
- Receipt Summary report
- Print Requisition report

Encumbrances → Commitment Control

PO Data → Account Payables

Project & Activity → Project Costing

Receipts → Asset Management

Requisition Processor
Requisition Approver
Solicitation/Contract Processor
Solicitation Approver

Solicitation/Contract Processor
Contract Approver
PO Processor
PO Approver
PO Receiving Processor
Requisition Data Hierarchy

- **Requisition Header**
  - Req Name, Requester, Req Date, Acc Type/Method

- **Requisition Line**
  - Description, Quantity, Unit of Measure, Category (UNSPSC Code)

- **Requisition Schedule**
  - Ship To Location, Due Date, Price, Sales Tax, Freight Costs

- **Requisition Distribution**
  - Accounting Information
Pre Encumbrance vs Encumbrance vs Expenditure

- **Pre Encumbrance** (Requisitions)
- **Encumbrance** (POs)
- **Expenditure** (Vouchers)

Budget: $1,000,000

Expenses: 400,000

Encumbrance: 500,000

Pre Encumbrance: 50,000*

Available Budget: $ 100,000

* Funds in a requisition are a “soft encumbrance” and do not impact the budget. Funds stay available until the PO is released.
Create and Approve Requisition

- Identify need to procure goods and/or services
- Route for approval: 2-step approval plus ad hoc steps
- Dept. Ad Hoc approval can be assigned to types of transactions
- Either use department’s purchasing authority or forward to DGS for processing

Key Impacts
- Acquisition type, reporting structure, and dollar amount will be used to determine workflow routing.
- Requisitions may include ad hoc departmental approvers as well as external (DGS) approvers.
Requisition Workflow

- Additional approvals (dollar thresholds, commodity approvals, etc.) can be handled by inserting ad hoc approvers or reviewers.
- Routing an approval to the Department Buyer is a manual step performed by the worklist distributor.
  - Departments have the option to route directly to the buyer as well by assigning the Department Buyers the Requisition Approver 2 role.
Additional approvals (dollar thresholds, commodity approvals, etc.) can be handled by inserting ad hoc approvers or reviewers.

Routing an approval to the Department Buyer is a manual step performed by the worklist distributor.
Sourcing (Solicitation) Process Overview

- Manage Sourcing process starts when the department identifies need to purchase goods and/or services or to create a new contract.
- Solicitation Processor creates solicitation or addenda to an existing solicitation.
- Solicitation can be created by direct entry or copying a requisition.
  - Advertisement of solicitation can be posted to CSCR
# Sourcing (Solicitation) Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Event</td>
<td>Terminology in FI$Cal for a solicitation.</td>
</tr>
<tr>
<td>RFx</td>
<td>Event type that applies to Request For Quote or Proposal or Invitation or Information for Bid.</td>
</tr>
<tr>
<td>Start Date</td>
<td>The date and time that an event is open for bidding.</td>
</tr>
<tr>
<td>End Date</td>
<td>The date and time that bids are no longer accepted.</td>
</tr>
<tr>
<td>Preview Date</td>
<td>The date that prospective bidders may view the event, but not submit the bid.</td>
</tr>
<tr>
<td>Bid Response</td>
<td>Submission of an offer on an event.</td>
</tr>
<tr>
<td>Bidder</td>
<td>An entity that has registered in Cal eProcur to receive notifications, maintain their information, and apply for certifications.</td>
</tr>
</tbody>
</table>
### Sourcing (Solicitation) Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier</td>
<td>An entity that is actively doing business with the State, or otherwise receiving payments from the State. In Cal eProcure, Supplier is an alternate term for “Vendor.”</td>
</tr>
<tr>
<td>eSupplier</td>
<td>An entity that has both registered in Cal eProcure, and is actively doing business with the State. Once a Bidder is awarded a contract or purchase order, they are then categorized as an eSupplier in FI$Cal.</td>
</tr>
<tr>
<td>Sell Event</td>
<td>Event creator offers a good or service for sale. Sell events may be an auction (all bids visible to all bidders or RFx).</td>
</tr>
</tbody>
</table>
Requisition to Receiving

- Create Requisition
- Budget Check
- Approve Requisition

- Create Solicitation
- Approve Solicitation

- Create Procurement Contract
- Approve Contract

- Create Purchase Order
- Budget Check Purchase Order
- Approve Purchase Order
- Dispatch Purchase Order
- Create Receipt
- Create RTV

- Requisition Processor
- Requisition Approver
- Solicitation/Contract Processor
- Solicitation Approver

- Solicitation/Contract Processor
- Contract Approver
- PO Processor
- PO Approver
- PO Receiving Processor

- Print Requisition report
- PO Spend report
- PO Activity report
- Receipt Summary report
- Print Requisition report

- Encumbrances
- Commitment Control
- PO Data
- Account Payables
- Project & Activity
- Project Costing
- Receipts
- Asset Management

- Introduction
- Requisition
- Sourcing
- Procurement Contract
- PO
- Control Related
- P-Card
- Receiving
- Technology Considerations
- Closing
Supplier Portal

www.CALeProcure.ca.gov

SB/DVBE Certification
- Processor
- Officer
Solicitation Processor

Supplier Registration
Bidder Registration
SB/DVBE Certification
Public Search

Introduction  Requisition  Sourcing  Procurement Contract  PO  Control Related  P-Card  Receiving  Technology Considerations  Closing
Sourcing (Solicitation) Summary Flow

**Key Impacts**

- Solicitation Events may be entered directly or may originate from a requisition.
- Collaborators are selected by the event processor to provide edits; collaboration routing uses approver worklists; Event Processor/Buyer decides which edits to accept.
- The event is posted in the portal and email invitations sent after event approval.
Sourcing Event Approval Workflow

One Step Approval

Event Approver

- Business Unit
- Acquisition Type

Sourcing Event is a one-step approval process.

Funding is optional in Sourcing Events so routing by Reporting Structure cannot be used. Program approvals and other conditional situations will be added as ad hoc approvals.

Solicitation Approver routing is based on business unit and acquisition type route controls.

Additional approvers can be added via ad hoc functionality as needed.
FI$Cal Procurement Solution

- VMF Vendors
- VMF Bidders
- VMF SB/DVBE
- Item Master
  - Suppliers/Bidders
  - eProcurement (Requisitions)
  - Strat. Sourcing (RFX Solicitation)
  - Procurement Contract Management
  - Purchasing (Purchase Order)
    - Encumbrances
    - Receipts
    - Encumbrances
  - P-Card (Cal-Card)
    - PO Qty/Amt
      - General Ledger / Commitment Control
      - Asset Management
      - Project Costing
      - Account Payables
Procurement Contracts Overview

- Contract process starts upon notification of award to supplier (or vendor).
- Includes ongoing activities necessary to create/amend contract, approve contract, extend, and retire contract.
- Process also includes administration of contract (tracking of contract usage, enforcement of maximum amount(s), and contract effective dates).
- Process ends when contract is available to departments for procurement of goods and/or services.
Procurement Contracts Overview

- Contracts will be created for Leveraged Procurement Agreements (LPAs) and departmental contracts.
- FI$Cal contracts will enforce spending against maximum amount and contract term (start and end) dates.
- Contracts may be set up for multiple years.
- Ordering/release against contracts is via POs.
- FI$Cal contracts will keep track of all the individual PO releases and remaining balance of the contract.
## Procurement Contracts Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract (General)</td>
<td>An agreement between the State and another entity to procure goods or services.</td>
</tr>
<tr>
<td>Procurement Contract</td>
<td>Also referred to as a Vendor or Supplier Contract. An agreement with an individual or entity (e.g. vendor, grantee, finance/leasing company) that the state will pay. This includes the transactional contract and the contract document.</td>
</tr>
<tr>
<td>Transactional Contract</td>
<td>A term used for the contract transaction. A user can perform transactions such as create and maintain contract items, amounts, dates, and prices.</td>
</tr>
<tr>
<td>Contract Number</td>
<td>Unique identifier for a contract.</td>
</tr>
</tbody>
</table>
# Procurement Contracts Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expiration Date</td>
<td>Date contract becomes unavailable to procure goods and/or services.</td>
</tr>
<tr>
<td>Maximum Amount</td>
<td>The maximum amount that the contract cannot exceed.</td>
</tr>
<tr>
<td>Line Item Contract</td>
<td>Contract line specified by item id/item description.</td>
</tr>
<tr>
<td>Category Contract Line</td>
<td>Contract line specified by a group of items based on an item category (UNSPSC codes).</td>
</tr>
<tr>
<td>Open Item Contract</td>
<td>A contract that allows ordering of goods or services as specified by the contract, e.g. vendor catalog.</td>
</tr>
<tr>
<td>Spend Threshold</td>
<td>A monetary amount or date criteria for a contract used for triggering contract alert notifications, e.g. against max amount, end date, or renewal date.</td>
</tr>
<tr>
<td>Contract Version</td>
<td>The revision level of a transactional contract. This is currently called a contract amendment.</td>
</tr>
</tbody>
</table>
Requisition to Receiving

1. Create Requisition -> Budget Check -> Approve Requisition
2. Create Solicitation -> Approve Solicitation
3. Create Procurement Contract -> Approve Contract
4. Create Purchase Order -> Budget Check Purchase Order -> Approve Purchase Order -> Dispatch Purchase Order -> Create Receipt

Reports:
- Print Requisition report
- PO Spend report
- PO Activity report
- Receipt Summary report
- Print Requisition report

Encumbrances, PO Data, Project & Activity, Receipts

Commitment Control, Account Payables, Project Costing, Asset Management
Procurement Contracts Summary Flow

- **Contract Processor**
  - Create Transactional Contract
    - Create contract by direct entry

- **Contract Approvers**
  - Approve Contract
    - Workflow approvals

- **PO Processor**
  - Create PO/Encumbrance Against Contract
    - Create PO by direct entry by referencing contract
    - Create PO Releases

**Key Impacts**
- Contracts may be created by direct entry or copying from an existing contract.
- Contract will be either an LPA or a departmental contract.
- Wet signatures on contracts still needed from suppliers.
- STD 213 or 210 still required and attached to the transactional contract.
- Purchase Orders must be created to encumber funds in order to process payments for contracts.
- Contract documents will be attached to a specific area in the transactional contract.
Contract workflow is similar to the approval process for POs.

Contract approval routing is based on business unit and acquisition type route controls. Funding is optional in contracts so reporting structure cannot be used as a route control.

The contract document will be attached to the transactional contract, routed and approved at the same time as the transactional contract.

Approved contract is routed back to the buyer for execution and distribution.

Additional approvers can be added via ad hoc functionality as needed.
Break!!!

Time for a BREAK
The Manage Purchase Order process is used to create purchase orders (POs) and change orders (amendments) for existing POs. This includes activities necessary to create POs, approve POs, budget check (encumbrance), and dispatch POs to support State/Department procurement activity.

This includes the following sub-processes:
- Create Purchase Orders
- Approve Purchase Orders
- Run Budget Check
- Dispatch Purchase Orders
## Purchase Order Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Header</td>
<td>General information pertaining to the entire order. This includes the PO Date, Vendor, Buyer, PO Type, and PO Reference. The Buyer can also place the order on hold and initiate the approval and budget checking functions. Informational fields include order status and whether the order has been budget checked and dispatched.</td>
</tr>
<tr>
<td>Lines</td>
<td>Item description, Unit of Measure (UOM), Category, and Quantity for each item you are ordering.</td>
</tr>
<tr>
<td>Schedule</td>
<td>Due Date, Ship-To Address, and Unit Price are stored on the requisition for each item line.</td>
</tr>
<tr>
<td>Distribution</td>
<td>Accounting information (the GL ChartField string) is entered. The ChartField string includes Account, Fund, Reporting Structure, Program, Appropriation Reference, and Year of Enactment.</td>
</tr>
</tbody>
</table>
Purchase Order Data Hierarchy

- **PO Header**
  - Buyer, PO Date, Supplier, etc.

- **PO Line**
  - Item Quantity, Contract, etc.

- **PO Schedule**
  - Price, Ship To Location, Due Date

- **PO Distribution**
  - Accounting Information
Requisition to Receiving

1. **Create Requisition**
2. **Budget Check**
3. **Approve Requisition**

4. **Create Solicitation**
5. **Approve Solicitation**

6. **Create Procurement Contract**
7. **Approve Contract**

8. **Create Purchase Order**
9. **Approve Purchase Order**
10. **Dispatch Purchase Order**
11. **Create Receipt**
12. **Create RTV**

**Reports**
- Print Requisition report
- PO Spend report
- PO Activity report
- Receipt Summary report
- Print Requisition report

**Encumbrances**
- PO Data
- Project & Activity
- Receipts
- Asset Management
- Commitment Control
- Account Payables
- Project Costing

**Processors and Approvers**
- Requisition Processor
- Requisition Approver
- Solicitation/Contract Processor
- Solicitation Approver
- Solicitation/Contract Processor
- Contract Approver
- PO Processor
- PO Approver
- PO Receiving Processor

**Integrations**
- Introduction
- Requisition
- Sourcing
- Procurement Contract
- PO
- Control Related
- P-Card
- Receiving
- Technology Considerations
- Closing
Manage Purchase Order

Key Impacts

- Only users with the role of Department PO Processor is allowed to create POs.
- Electronic routing and approvals for POs.
- Automated budget check/encumbrance.
Workflow – Purchase Order

- Additional approvals (dollar thresholds, acquisition type approvals, etc.) will be handled by inserting ad hoc approvers or reviewers.
- Either PO Approver 3 or 4 will approve, depending on the amount of the PO.
Additional approvals (dollar thresholds, acquisition type approvals, etc.) will be handled by inserting ad hoc approvers or reviewers.

Either PO Approver 3 or 4 will approve, depending on the amount of the PO.
Manage PO Change Order

**PO Processor**
- Change PO
  - Enter/modify/delete PO lines or update existing PO information, as needed
  - Add comments to explain changes, as needed

**PO Approvers**
- Approve PO (if needed)
  - Only if changes by the PO Processor need re-approval as per defined approval rules

**PO Approver 2 (Accounting)**
- Run Budget Check
  - Verify ChartFields
  - FI$Cal confirms adequate funds are available for the change request

**PO Processor**
- Dispatch PO
  - Print and manually mail/fax or automatically email to supplier

**Key Impacts**
- PO numbers remain the same following a Change Order because the revision number is incremented and tracked by FI$Cal.
- When a Change Order is triggered, the PO may need to be re-approved.
Purchase Authority Application (PAA)

- PAA will be entered online, electronically routed, and approved at department and DGS levels in FI$Cal
- Purchasing Authority Contact (PAC) and Procurement and Contracting Officer (PCO) will be approved by DGS and added in FI$Cal
- Users with PAC and PCO roles will be approving PAA requests
- Delegated purchasing authority is monitored/enforced in the following areas:
  - Requisitions
  - Solicitations
  - Contracts
  - Purchase Orders
# PAA Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement Contracting Officer (PCO)</td>
<td>Single point of contact for DGS/Procurement Division (PD) on procurement matters. Responsible for all procurement and contracting within the department. Responsible and directly accountable for the department’s purchasing authority.</td>
</tr>
<tr>
<td>Purchasing Authority Contact (PAC)</td>
<td>Interfaces and communicates with the DGS/PD, the PCO, and subordinate staff. Oversees day-to-day procurement activities conducted under the purchasing authority.</td>
</tr>
</tbody>
</table>
Item Master
# Items Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item</td>
<td>An item represents a good and/or service for purchase by the State of California; multiple contracts can be associated with one item and items will typically be related to LPAs and CALPIA.</td>
</tr>
<tr>
<td>Item ID</td>
<td>A unique system identifier for an item associated with an LPA or CALPIA.</td>
</tr>
<tr>
<td>Item Category</td>
<td>A means of classifying an item. Every line item must be assigned to an Item Category. The item category code used by the State of California is UNSPSC code.</td>
</tr>
<tr>
<td>Item Catalog</td>
<td>An Item Catalog maintained internally by the state to facilitate the ordering and tracking of purchases.</td>
</tr>
</tbody>
</table>
Item IDs Overview

- Item IDs are utilized in conjunction with:
  - Leveraged Procurement Agreements (LPAs) – coordinated purchases from private suppliers
  - California Prison Industry Authority (CALPIA) – goods and services from Prison Industry

- An Item ID is a unique identifier of a good or service.

- The state will set up items for purchasing, to enhance procurement transaction efficiency and data reporting and analysis capability.

- Items provide the most detailed tracking / reporting of state spend.

- Item data is reusable. After an item is defined in FI$Cal, the same standardized item data can be used by departments on a requisition, purchase order, solicitation, and control agency report for purchase of items.

- Reduce data entry when ordering by Item ID. Attributes such as description, unit of measure, and United Nations Standard Product and Service Codes (UNSPSC) are automatically populated on the transactions.
Items Summary Flow

Key Impacts

- Creation of items will be driven by LPA, CALPIA, and CALTECH use.
- Contract releases are done by purchase orders. Specific Item IDs may be ordered on the PO.
The Procurement Card (P-Card) Process includes:

- Creating and administering cardholder profiles
- Loading, reconciling, and approving P-Card transactions
- Generating payments to the bank

Transaction statements will be received from the bank electronically and loaded into FI$Cal. Reconciliation by cardholders/proxies is performed in FI$Cal.

The following are the two main scenarios in which the P-Card is used (per State procurement rules):

- Requisition/PO created prior to obtaining goods/services via P-Card
- Directly at Merchant
# P-Card Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>P-Card</td>
<td>A payment mechanism (Visa payment card) that can be used in conjunction with a department's delegated purchasing authority. Referred to currently as CAL-Card. The P-Card procurement mechanism can be used with or without a PO, following State rules.</td>
</tr>
<tr>
<td>Lines</td>
<td>Individual transaction lines from the P-Card statement to be reconciled and approved within FI$Cal.</td>
</tr>
<tr>
<td>Reconciliation</td>
<td>The task of checking validity of Bank P-Card charges, comparing and attaching scanned receipt, entering procurement information (UNSPSC code, vendor, etc.).</td>
</tr>
<tr>
<td>Proxy</td>
<td>A user designated to perform online reconciliation on behalf of a cardholder, and approve and/or review a cardholder’s P-Card transactions.</td>
</tr>
</tbody>
</table>
P-Card

Create PO Using PCard number
Upload Monthly statements
Notify Cardholder
Reconcile statement
Approve transactions

P-Card transactions

Transactions in AP Staging table

Accounts Payables

- Card Holder information report
- Account Summary report
- Purchase details report
- Top Merchant category report

P-Card User
P-Card Reconciler
P-Card Approver
Process P-Card Transactions

Key Impacts

- Bank Statements will be loaded and P-Card reconciliation will be performed in FI$Cal.
- Reconciliation includes adding UNSPC code, acquisition method type, SABRC recycle, EPP compliance, and identifying the vendor (including SB/DVBE participation) if a PO was not created.
- Reconciled and approved transactions are pushed to AP for payment processing.
- All FI$Cal department P-Cards will be on the same bank cycle.

* Not a FI$Cal System role
# Receiving Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receiving</td>
<td>The act of taking possession of goods or services in order to stage them for inspection, place them into inventory, or deploy them for immediate use.</td>
</tr>
<tr>
<td>Inspecting</td>
<td>The act of examining products that have been delivered to determine conformance to the purchase specifications. Performing required “acceptance testing” on goods or services received as a condition for authorizing payments for the purchase.</td>
</tr>
<tr>
<td>Acceptance</td>
<td>Acknowledging that the products and/or services conform to the requirements of the PO so that the vendor may be paid.</td>
</tr>
<tr>
<td>Return to Vendor (RTV)</td>
<td>The process of returning goods and/or services that have been received and subsequently found unacceptable.</td>
</tr>
</tbody>
</table>
Receiving Overview

- The Receive Goods and/or Services process records the receipt of goods and/or services by the State and verifies conformance to shipping documents and PO requirements.
- Reject quantities, reject reason and disposition are recorded in the system for full traceability.
- Full receipt or partial receipt(s) may be performed.
- Receiving may be performed in dollars (amount) rather than quantity commonly used in Services POs.
- This includes the following sub-processes:
  - Create Receipt
  - Inspection
  - Create Return to Vendor (RTV)
Requisition to Receiving

Create Requisition -> Budget Check -> Approve Requisition
Create Solicitation -> Approve Solicitation
Create Procurement Contract -> Approve Contract
Create Purchase Order -> Budget Check Purchase Order -> Approve Purchase Order -> Dispatch Purchase Order -> Create Receipt -> Create RTV

Encumbrances
Commitment Control
Account Payables
Project Costing
Receipts
Asset Management

Requisition Processor
Requisition Approver
Solicitation/Contract Processor
Solicitation Approver

Solicitation/Contract Processor
Contract Approver
PO Processor
PO Approver
PO Receiving Processor

Reports
- Print Requisition report
- PO Spend report
- PO Activity report
- Receipt Summary report
- Print Requisition report
Create Receipt

PO Receiving Processor

Create and Populate Receipt
- Select appropriate PO

Verify (as needed)
- Enter delivery details
- Verify goods received for counts and condition (damage, etc.)

Save Transactions
- FI$Cal assigns Receipt ID when receipt is saved
- Update PO receipt status to either Fully Received or Partially Received

Key Impacts
- Receipt delivery, accrual, summary, ship-to, and account details are captured in FI$Cal.
- Blind receiving will be implemented.
- Automated update of PO status when goods/services are received.
Create Return to Vendor (RTV)

**PO Receiving Processor**

- **Create RTV**
  - Select appropriate receipt
  - Add comments if needed
- **Select Action for Return**
  - Action may include credit, return, exchange, etc.
- **Enter Details**
  - Reason
  - Quantity
  - Shipping details
- **Dispatch RTV to Vendor**
  - Print and mail, fax, or email to vendor

**Key Impacts**
- RTV instructions and reason codes are incorporated in creating an RTV.
- A query is available to view over-shipments.
Technology Considerations

- A conversion is the transfer of data from its current format to a type that can be integrated into the FI$Cal system.
  - There are three key conversions that will be performed with departments transitioning to FI$Cal:
    - Procurement Contracts Conversion
    - Open PO Conversion
    - Vendor Conversion
  - Conversions can be done automatically or manually.
FI$Cal’s Procurement Benefits

- Various route controls in addition to Business Unit are available for procurement workflow routing:
  - Acquisition type, reporting structure, and transaction dollar amount for Requisitions and Purchase Orders (POs)
  - Acquisition type and transaction dollar amount for Procurement Contracts
  - Acquisition type for posting of Solicitation Events
- Procurement transactions may include ad hoc departmental approvers as well as external (DGS) approvers.
- Integration with Account Payables and other modules.
- EPP/SABRC tracking and reporting available for every transaction.
- Online P-Card reconciliation available in FI$Cal.
- Minimize paper approval required as FI$Cal handles the workflow approval electronically in the system.
Session Recap

- Key Considerations
- Action Items
- Open Questions
More Information Can be Found at…

FI$Cal Project Information:
http://www.fiscal.ca.gov/

For Questions, Comments or Feedback:
www.surveymonkey.com/r/SWTFFeedbac

or e-mail the FI$Cal Project Team at:
fiscal.cmo@fiscal.ca.gov
Appendix
Additional information and screenshots for reference
Guide to Symbols in Flows

- **Start/End**: Indicates the point at which the process begins or ends. Does not represent any activity.

- **Decision**: Shows a decision point, such as yes/no. Each path emerging from the diamond is labeled with one of the possible answers.

- **System Task**: Represents an individual step or activity in FISCal.

- **Manual Task**: Represents an individual step or activity in the process that makes use of or output of FISCAl.

- **Input Documents**: A paper document (or email) that is used for entering data into the process. For electronic data, the Interface shape is used.

- **Connector**: On/Off-Page Connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page. Connectors are labeled with upper case letters.

- **Interface**: Data conversion from one electronic system to another.

- **Batch Process**: Represents a batch process within FISCAl.

- **Flow Arrow**: Indicates the direction of the process.

- **Intra Integration Process**: An input or output to some other process within the same capability.

- **Output Documents**: An electronic document that is created by the process and can be printed (for example – any kind of report).
Administer Supplier Contracts - Detailed Flows

**PO – Administer Vendor Contract – Create Contract**

- **Award contract from eProc Manage Solicitation Process**
- **Direct Contract Entry**
- **Select the contract administrator (e.g. buyer), verify other information is correct**
- **Select a pre-configured template to create a contract document**
- **Vendor reviews document**
- **Vendor Signs?**
  - **Yes**
  - **Open the contract page and change the status to “Approved” and save.**
  - **Buyer performs “Execute in System”**
  - **State Signs document**
  - **Contract milestones tracking setup?**
    - **Yes**
    - **Does an item need to be set up?**
      - **Yes**
      - **Encumbrance required?**
        - **Yes**
        - **Select the “Edit Document” button, edit, save document locally, and check in the document.**
        - **End**
      - **No**
        - **Yes**
        - **Update Contract with Item ID**
        - **PO2 Manage Purchase Order process**
  - **No**
  - **End**

- **Buyer**
- **Do you want to Collaborate?**
  - **Yes**
  - **Select your collaborators**
  - **Collaborators can be anyone with the proper security setup.**
  - **Collaboration task appears on collaborators work list.**
  - **Collaborators review and edit the documents.**
  - **Award withdrawn and either award to next bidder, re-bid, or cancel.**
- **No**
  - **Buyer reviews, edit, save document.**
  - **State Signs document?**
    - **Yes**
    - **End**
    - **No**
      - **End**

- **Item Admin**
Administer Supplier Contracts – Detailed Flows

PO – Administer Vendor Contract - Amendment

1. Need to amend a contract
   - Amendment

2. Verify contract information is correct.
   - Select a pre-configured template to create a contract amendment document.
   - Do you want to collaborate?
     - Yes
       - Select your collaborators
       - Collaboration task appears on collaborators’ work list.
     - No
       - If collaboration was used, track changes will show edits made by collaborators.

3. Vendor reviews document.
   - Dispatch the contract amendment to vendor.
   - Workflow Approval
     - Vendor Signs?
       - Yes
         - Buyer opens the document management page, selects the “Execute Contract” button.
       - No
         - Buyer discusses issues with vendor.

4. Buyer reviews, edits, saves document.
   - Collaborator reviews and edits the document.

5. Collaborators can be anyone with the proper security setup.

6. Buyer agrees to changes?
   - Yes
     - Amend PO as needed
   - No
     - Cancel Amendment
     - End
## Administer Supplier Contracts – Detailed Flows

### PO – Administer Vendor Contract – Contract Compliance Example

<table>
<thead>
<tr>
<th>Buyer</th>
<th>Vendor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Administrator notified by workflow to review contract agreement/milestone</td>
<td>Vendor submit compliance report</td>
</tr>
<tr>
<td>Review outstanding contract agreement/milestone, such as compliance report</td>
<td>Vendor resolve issue</td>
</tr>
<tr>
<td>Update contract agreement/milestone list to record the receipt of reports, etc.</td>
<td>Receive revised report from vendor</td>
</tr>
<tr>
<td>Prepare Usage Report</td>
<td>Prepare revised Monthly Usage Report</td>
</tr>
<tr>
<td>Reconcile discrepancies</td>
<td>Contact vendor to resolve issue</td>
</tr>
<tr>
<td></td>
<td>End</td>
</tr>
</tbody>
</table>

---

### Additional Notes

- Ensure all required reports are submitted on time.
- Communicate regularly with both buyer and vendor to resolve any issues promptly.
- Maintain accurate records of all interactions and agreements.
- Monitor contract compliance and adjust as necessary.
Administer Supplier Contracts – Detailed Flows

PO – Administer Vendor Contract – Contract Compliance Example

Buyer
- Contract Administrator notified by workflow to review contract agreement/milestone
  - Review outstanding contract agreement/milestone such as compliance report
  - Update contract agreement/task list to record the receipt of reports, etc.
  - Prepare Usage Report
  - Reconcile discrepancies
  - Receive revised report from vendor
  - Prepare revised Monthly Usage Report
  - Contact vendor to resolve issues
  - Vendor resolve issues
  - End

Vendor
- Vendor submit compliance report
Administer Supplier Contracts – Detailed Flows

PO – Administer Vendor Contract – Contract Extension, Rebid, Retire

1. Receive contract expiration notice
2. Evaluate and recommend for extension, rebid, retire
3. Extend contract? (No)
4. Retire contract? (Yes)
5. Notify supplier that the contract will be retired
6. Close out contract
7. End

- Yes: Amend contract
- No: Rebid eProc Manage Solicitations Process
Manage Sourcing Illustrations

PO - Manage Sourcing – Create RFX Document Package

Collaborators: Edit and save document

- Email notifications will be sent to all those listed as collaborators for this event by the Author.
- Collaborators are defined by the document author.

Yes

Collaboration?

No

Buyer Create, Edit and save Solicitation Package

Attach document to the bid event

A

B
Manage Sourcing Illustrations

PO - Manage Sourcing – Bid Event Addendum

Email notifications will Bid Event sent to all those listed as collaborators for this event by the Author.

Collaborators: Check Out, Edit and Check In Supporting Document

Reviews edits, accepts or rejects edits and saves.

Yes

No

Collaboration?

Collaboration?

Yes

No

Open existing Document and select the "Amendment" button, make changes and save.

create a new version of the Bid Event, make necessary changes and save.

Bid Event Addendum

Bid Event document Addendum?

DGS or Dept Buyer

Post new version of Bid Event.

Bid Event Addendum
Manage Sourcing Illustrations

PO - Manage Sourcing – Receive Bid Response

- Responses
  - Was bid submitted in the system?
    - Yes: Bid response is stored in the system and bidder is notified
    - No: Bid response is manually entered or spreadsheet (xml) is uploaded into Fi$Cal
  - Analysis

DGS or Dept Buyer
Create and Manage Receipt

Department Receives Goods and/or Services from Vendor

Select Purchase Order to Receive -> Enter / Update Quantity Received -> Enter/Update Comments if applicable -> Enter asset information, including serial, asset IDs, and asset tag information -> Inspect the stock Received

View or Enter Delivery Details if any

Rejected items? -> Yes -> Enter Qty Rejected, Reject Reason and Action -> Save Maintain Receipt

No

Check Line Quantity Received against Quantity of Purchase Order Line

Line Quantity Received > PO Line Quantity

Warning/Error message, Quantity for Receipt line is greater than PO lines Quantity

Make necessary correction / updates

AI validation passed?

No -> No

Assign Receipt Id

Cumulative Quantity Received = Total PO Quantity?

Yes -> Update PC Status to Fully Received

No -> Update PO Status to Partially Received -> To AP Matching
Create and Dispatch RTV

1. Department needs to send Goods back to vendor
2. Select receipt for which goods were received
3. Enter Comments or add attachment if needed
4. Select action for Return line (Credit, Replace, Exchange etc.)
5. Enter Reason for Returning goods
6. Enter Quantity to be returned to vendor
7. Enter shipping details on how the goods are returned
8. Save RTV Component
9. Dispatch RTV to vendor
10. End
Manage Purchase Order

Start PO process

- Source Purchase Order from Requisition
- Create Purchase Order Online
- Create Purchase Order from PO3

Review/Update Line, Shipping, Funding Information

Add Comments / Attachment as required

Route PO for Workflow Approval per SRP and Departments Rules

Yes

Dispatch PO

Print Mail/Fax/email PO to Vendor

To PO6 Receive Goods and Services

No

PO may be created against an LPA or dept. contract

No

Approver 1 Program Approval

- Approved?
  - Yes
    - End
  - No

Budget Issue Resolved?

- Yes
  - Approved?
    - Yes
      - Approved 3 or 4
    - No
      - Contact Budget Officer to resolve issue

- No
  - Pass Budget Check?
    - Yes
      - Approved 3 or 4
    - No

Approver 2 Acctrn/Budget Review

Approver 2 Runs Budget Process / Encumbrance

Contact Budget Officer to resolve issue

Approved?
Process P-Card Transactions – Use P-Card

P-Card Holder

1. Obtain Item / Swipes Card
2. Obtain Receipts / Documentation
3. PO Created?
   - Yes
   - No
     - From PC2 Create Items – Create & Approve Requisitions
     - Some transactions may be originate from requisitions

Buyer

1. Create Direct Purchase Order
   - Enter Card Information
2. Review/Update Line: Shipping, Funding Information
3. Add Comments / Attachment as required
4. Route PO for Workflow Approval per SRP and Department Rules
5. Approved?
   - Yes
     - Contact Budget Officer to resolve
   - No
     - Budget Issue Resolved?
     - Yes
6. Run Budget Process: Encumbrance for PO
7. Pass Budget Check?
   - Yes
     - Dispatch PO
   - No
     - Receive Goods and Services
8. End
   - No
     - Yes
Process Procurement Card – Load Statement

1. Receive PCARD file
2. Load procurement card statements to staging tables
3. Check staging errors
   - Yes: Review & correct staging errors
   - No: Load procurement card statements to transaction tables
4. Reconcile statement
Procurement Card Reconcile Transactions

- P-CARD HOLDER
  - Receive Email Notification that transactions are available to review
  - Verify transactions against receipts
  - Enter UNSPC code
  - Transactions match?
    - Yes: Set transaction to verified
    - No: Place dispute

- SUPERVISOR/P-CARD APPROVER
  - Approved?
    - Yes: Cardholder transaction approval
    - No: Take corrective action
  - Disputed amounts?
    - Yes: Set transaction to verified
    - No: Load statement to voucher staging tables

- P-CARD ADMINISTRATOR
  - Load statement to voucher staging tables
  - Track or resolve disputed procurement card charges
  - To AP upload vouchers (import and build)